

Health and Human Services' Housing Program 2002-2003 Annual Report

Overview

This report is a summary of Leon County's Housing Program for Fiscal Year 2002-2003. This fiscal year has been a year of opportunities and successes for both the program and its beneficiaries. The Housing Program's primary goal is to provide safe, sanitary and affordable housing to very low and low-income citizens in the unincorporated areas of the County. The Housing Program uses several strategies to achieve its goals. Program strategies are described in the Local Housing Assistance Plan (LHAP) and include the following:

- Down Payment Assistance Without Repair or Construction
- Down Payment Assistance With Repair or New Construction
- Down Payment Assistance With Self-Help
- Major Housing Rehabilitation for Owner-occupied Dwellings
- Emergency Repair for Owner-occupied Dwellings
- New Construction/Replacement Housing
- Disaster Mitigation
- Disaster-Resistant Neighborhood Mitigation
- Transitional and Emergency Housing
- Development of Affordable Housing Rental Units

On February 25, 2003, the LHAP was amended to include an Affordable Rental units strategy.

The program uses three sources of funding to support its housing strategies: State Housing Initiative Partnership (SHIP), a three-year grant; Community Development Block Grant (CDBG); two-year grant and Housing Finance Authority funds from the 1984 Series A Single-Family Mortgage Revenue Bond (SFMRB) refund in the amount of \$200,566 for special housing needs projects. The SHIP program was created by the enactment of the 1993 Sadowski Act to provide a stable source of funds for Florida's local governments by channeling documentary stamp revenue to Florida's counties and CDBG entitlement cities. The SHIP program funds are administered by the Florida Housing Finance Corporation and are used directly for housing services and to provide matching funds for other grant programs.

Key program successes during the Fiscal Year 2002-2003 include the following:

- Sixty (60) individuals/families served by the down payment assistance and housing rehabilitation program.
- \$460,072 expended in SHIP rehabilitation funds
- \$50,014 expended in Housing Finance Authority Bond Refund
- \$62,237 expended in HOME V dollars
- \$96,702 expended in Down payment Assistance
- \$237,145 expended in CDBG funds
- Continued a partnership with the Tallahassee Lenders' Consortium and Cooperative Extension office to do the homeowner/purchasing and home maintenance workshops.

Housing assistance was received as follows, per District:

- District 1 – 13 Clients received assistance
- District 2 – 8 Clients received assistance
- District 3 – 20 Clients received assistance
- District 4 – 9 Clients received assistance
- District 5 – 10 Clients received assistance

Housing Program Expenditures for FY 2002-2003

Every housing project in which the County is involved uses SHIP funds, alone or as match for other grant program funds. For example, when SHIP is used for down payment assistance, these funds are leveraged with HOME, Rural Development and Federal Home Loan Bank funds, resulting in deep subsidies for very low- and low-income home buyers. SHIP funds are also often used as a match for CDBG and HOME grants to provide funding for housing rehabilitation. At the close of County Fiscal Year 2002-2003, the County expended a total of \$556,774 (Rehabilitation-\$460,072 and DPA-\$96,702) in SHIP funds.

- **Down Payment Assistance**

A total of \$96,702 was distributed with twenty (20) clients receiving assistance in purchasing homes through the traditional down payment assistance program in cooperation with the Tallahassee Lenders' Consortium (TLC). In 1998, the Leon County Housing Program formalized a partnership with the TLC to administer the down payment assistance program.

TLC provides client intake and eligibility determination, credit counseling, and credit repair to people who want to become homeowners and assists clients make loan applications with local lenders. TLC calculates the amount of down payment assistance needed and, through their annual contract allocation, provides the assistance check at closing, along with the County note and mortgage to secure the funds.

- **Home Rehabilitation**

The Housing Program spent \$809,468 on housing rehabilitation, which included funding from SHIP (\$460,072), CDBG (\$237,145), HOME V (\$62,237) and Housing Finance Authority (\$50,014). Forty (40) homes had extensive repairs last year. These were site-built homes that were either seriously dilapidated or in need of major structural repair. Many of the home rehabilitation clients were elderly and/or disabled persons, or families with very young children.

- **Community Impact**

The Housing Program provides employment for up to 25 vendors, including title companies, land surveyors, and building contractors together with their crews and subcontractors. Besides employment, the Housing Program contributes to the increase in the sale of building materials and supplies. The support for new home sales has positively effected lending institutions, title companies and allied industries.

For housing units produced in County Fiscal Year 2002-2003, the SHIP program leveraged more than \$4 million in private loans to match the SHIP funds expended. The Housing Program expects similar community impacts in FY 2003-2004. In short, the Leon County Housing The Housing Program is a strong, positive force in the community, assisting low- and very low-income citizens, as well as local businesses.

Housing Finance Authority (HFA)

The Housing Finance Authority is a seven-member Board that encourages investment by private enterprise and stimulates construction and rehabilitation of housing through use of public financing. The Authority is authorized to issue and sell bonds but must first seek approval of the Board. Each County Commissioner appoints one member to the HFA. The members volunteer their time, with an average of three and half hours per month per member. Members in FY 2002-2003, were as follows:

Mr. Allen Stucks, Chairman
Mr. William Mattice
Ms. Penny Herman replaced Ms. Virginia Glass, May 1, 2003
Mr. Lee Nunn
Mr. Mike Donovan, Secretary
Mr. John Lawrence
Ms. Jaimie Ross

Attendance is listed below:

Committee Members	Attendance
Allen Stucks, Chairman	100%
William Mattice	40%
Penny Herman	96%
Lee Nunn	99%
Mike Donovan, Vice Chairman and Secretary	100%
John Lawrence	99%
Jaimie Ross	98%

Robert Reid, of Bryant, Miller & Olive, serves as bond counsel. Kathryn Driver, with RBC Rauscher, Inc., serves as financial advisor. The Health and Human Services Division Director, Housing Coordinator and the Administrative V personnel, serve as staff.

Since its creation, the HFA has issued or joined with other counties to issue single-family mortgage revenue bonds. This year, the HFA recommended the County continue its five-year association with Escambia County to issue bonds, using the combined allocations of many counties to maximize funds, obtain the lowest possible interest rate and allow moving of mortgage fund allocation from one county to another as the need dictates. The 2002 total issuance for Leon County was \$8,148,132. The fiscal year's bond rate was 5.85%, which was well below market rates. With bond mortgage rates falling significantly below the market rate, 94 mortgages were generated during this fiscal year.

The HFA acts as the CDBG Citizen's Advisory Task Force to assist the Leon County Housing Program in developing and conducting housing programs using Community Development Block Grant funds. In addition, the HFA serves as the SHIP Affordable Housing Advisory Committee, which reviews and makes recommendations for approval of any amendments to the Housing Assistance Plan / Housing Incentive Plan (HAP / HIP) for submission to the Florida Housing Finance Corporation. The HFA reviewed the Local Housing Assistance Plan (LHAP) and recommended amending the Plan to include two new housing strategies - Disaster Mitigation and Transitional and Emergency Housing.

Housing Assistance Plan / Housing Incentive Plan (HAP/HIP)

The local HAP/HIP governs the expenditure of SHIP funds. Approval of the plan by the Florida Housing Finance Corporation is required for the release of SHIP funds. Local governments have the option of using a one-year or three-year plan. Leon County opted for a three-year plan.

Three-year Strategic Housing Plan

The Housing Division submitted its three-year affordable housing strategic plan for approval by the Board in February 2002. The strategic plan acts as a blueprint of the primary goal of the housing program to provide safe, sanitary and affordable housing to Leon County citizens. The plan was created to be congruent with the Board's overall vision to preserve and enhance the quality of living for Leon County residents. The strategic plan is also a demonstration of the Housing Division's goal to become more customer- focused while utilizing more cost-effective control measures.

The eight goals that are set forth within the strategic plan include the following:

- To increase and preserve the availability of safe, decent and affordable housing
- To provide housing counseling services
- To encourage the construction of affordable housing by providing housing incentives to developers and contractors
- To develop community marketing and outreach on County housing programs
- To continue its partnerships with current affordable housing proponents and to form new ones
- To evaluate housing needs in the unincorporated areas of the County
- To promote home ownership
- To improve the quality of services provided to citizens/customers

The Housing Services Program has made great strides in accomplishing its described goals. The Housing staff continues to seek ways in which to improve existing programs and reduce the number of clients on the waiting list.

SHIP Annual Report

The Leon County SHIP Annual Report was completed and submitted by the deadline date of October, 2003. The SHIP Annual Report is concurrent with the State's fiscal year and includes the two previous fiscal years and the current fiscal year.

The 2003 Annual Report included close out reports for fiscal years 2000-2001 and interim reports for fiscal years 2001-2002 and 2002-2003.